

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

MOM CA Investco LLC, *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 25-10321 (BLS)

(Jointly Administered)

**Re: D.I. 89**

**RESERVATION OF RIGHTS OF THE PICERNE GROUP, INC. IN CONNECTION  
WITH THE MOTION OF THE DEBTORS FOR INTERIM AND FINAL ORDERS  
(I) AUTHORIZING THE DEBTORS TO OBTAIN POSTPETITION FINANCING; AND  
(II) GRANTING RELATED RELIEF**

The Picerne Group, Inc. (“TPG”) hereby files this reservation of rights (the “Reservation of Rights”) regarding the *Motion of the Debtors for Interim and Final Orders (i) Authorizing the Debtors to Obtain Postpetition Financing; and (ii) Granting Related Relief* [Docket No. 89] (the “DIP Motion”).<sup>2</sup> In support of this Reservation of Rights, TPG respectfully states as follows:

**BACKGROUND**

**I. Introduction to TPG**

1. TPG is a real estate investment firm based in Newport Beach, California that has asserted litigation claims (the “TPG Claims”) against certain of the Debtors—Aryabhata Group LLC (“Aryabhata”) and MOM CA Investco LLC (“MOM CA”)—in connection with consolidated

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<sup>1</sup> The Debtors in these chapter 11 proceedings, together with the last four digits of each Debtor’s federal tax identification number, are: MOM CA Investco LLC [6263], MOM AS Investco LLC [6049], MOM BS Investco LLC [6180], Retreat at Laguna Villas, LLC [2046], Sunset Cove Villas, LLC [9178], Duplex at Sleepy Hollow, LLC [9237], Cliff Drive Properties DE, LLC [0893], 694 NCH Apartments, LLC [0318], Heisler Laguna, LLC [4709], Laguna Festival Center, LLC [4073], 891 Laguna Canyon Road, LLC [0647], 777 at Laguna, LLC [8715], Laguna Art District Complex, LLC [8316], Tesoro Redlands DE, LLC [2764], Aryabhata Group LLC [7332], Hotel Laguna, LLC [9580], 4110 West 3rd Street DE, LLC [8641], 314 S. Harvard DE, LLC [2057], Laguna HI, LLC [6408], Laguna HW, LLC [9470], The Masters Building, LLC [6134], and 837 Park Avenue, LLC [3229]. The Debtors’ headquarters are located at 520 Newport Center Drive, Suite 480, Newport Beach, CA 92660. For purposes of this representation, Hotel Laguna, LLC is represented solely by Potter Anderson & Corroon LLP and is not represented by Buchalter, A Professional Corporation.

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings set forth in the DIP Motion.

lawsuits in the Orange County Superior Court, denominated *Honarkar v. The Picerne Group, Inc., et al.*, Lead Case No. 30-2021-01208258 (the “State Action”).

## **II. Genesis of TPG Claims**

2. In November 2019, TPG entered into a written agreement with Mohammad Honarkar to form a joint venture. The purpose of that joint venture was to acquire a property known as Newport Crossings, which at the time was owned by an investment firm named Starboard MacArthur Square, LP (“Starboard”). At that time, Honarkar was in litigation with Starboard regarding Honarkar’s right to acquire Newport Crossings, but had run out of money to continue the litigation. TPG agreed to finance the litigation and in exchange Honarkar agreed to acquire Newport Crossings with TPG.

3. TPG performed under its agreement with Honarkar and financed Honarkar’s litigation with Starboard for over a year. Honarkar did not perform under the agreement, however, and instead entered into the joint venture that is the subject of these chapter 11 cases, acquiring Newport Crossings with the Continuum Parties<sup>3</sup> as his investment partners rather than TPG, in breach of his agreement with TPG. Honarkar and the Continuum Parties acquired Newport Crossings using Aryabhata, a Debtor in these chapter 11 cases, which is the current owner of the property.

4. In an attempt to get ahead of inevitable legal action by TPG, Honarkar filed a declaratory relief action in Orange County Superior Court in California seeking to declare his agreement with TPG void and unenforceable. TPG filed its own lawsuit against Honarkar, certain of the Continuum Parties, Aryabhata, and MOM CA, among others. Those cases are now

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<sup>3</sup> The “Continuum Parties” shall refer, collectively, to Mahender Makhijani, Deba Shyam, Jason Miller, Andrew Stupin, Bhajneet Singh Malik, Continuum Analytics, Inc., MOM CA Investor Group LLC, MOM AS Investor Group LLC, MOM BS Investor Group LLC, MOM CA Manager LLC, and MOM AS Manager LLC.

consolidated in the State Action. TPG's position in the State Action is that it has been deprived of its right to acquire Newport Crossings and should be awarded equitable relief (i.e., be allowed to acquire Newport Crossings) and legal damages. The State Action has now been stayed as to the Debtors Aryabhata and MOM CA, as well as to defendant MOM CA Investor Group, LLC,<sup>4</sup> but continues against Honarkar and other non-debtors.

### **RESERVATION OF RIGHTS**

5. While TPG takes no position on the DIP Motion, TPG would like confirmation that nothing in the DIP Motion, the DIP Orders, or the DIP Documents is intended to, or would have the effect of, impairing or releasing any claims held by TPG, including, the TPG Claims, against the Continuum Parties, Honarkar or any of the Debtors. Further to this point, TPG submits that none of the findings contained in the DIP Orders or the DIP Documents, including the "good faith" finding under Section 364(e) of the Bankruptcy Code, should have any application outside of the specific and limited context of the DIP Motion.

6. In addition, given the early stages of these chapter 11 cases and the challenging circumstances giving rise to their commencement, TPG believes that the Debtors should clarify that nothing in the DIP Motion, DIP Orders, or DIP Documents precludes the Debtors from considering or entering into alternative, additional, or replacement DIP financing, and that considering or entering any such alternative, additional, or replacement DIP financing would not constitute an Event of Default under the DIP Documents or otherwise violate the terms of the DIP Documents. Moreover, TPG believes that the Debtors should provide the same assurances with respect to the commencement of any marketing and sale process with respect to the Debtors'

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<sup>4</sup> On March 17, 2025, chapter 11 petitions were filed in this Court by MOM CA Investor Group, LLC, MOM AS Investor Group LLC, and MOM BS Investor Group LLC (collectively, the "MOM Members"). At the time of this filing, no motions for joint administration have been filed in the MOM Members' chapter 11 cases.

properties; specifically, that the Debtors are permitted under the DIP Documents to engage in the process of marketing and selling their properties.

7. TPG respectfully reserves all rights in connection with all the foregoing, including its rights to participate in an open marketing process with respect to (i) any alternative, additional, or replacement DIP financing transaction and/or (ii) any sale transaction between TPG and the Debtors.

Dated: March 23, 2025

Wilmington, Delaware

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